



**HOUSING AUTHORITY
of the County of Los Angeles**

Administrative Office

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**Gloria Molina
Mark Ridley-Thomas
Zev Yaroslavsky
Don Knabe
Michael D. Antonovich**
Commissioners

Sean Rogan
Executive Director

**AGENDA
FOR THE REGULAR MEETING OF THE
LOS ANGELES COUNTY HOUSING COMMISSION
WEDNESDAY, JULY 27, 2011
12:00 NOON
HOUSING AUTHORITY
12131 TELEGRAPH RD.
SANTA FE SPRINGS, CA 90670
(562) 347-4663**

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1. Call to Order

2. Roll Call

**Zella Knight, Chair
Henry Porter Jr., Vice Chair
Val Lerch
Laurence Levin
Adriana Martinez
Alberta Parrish
Benita Pernell**

3. Reading and Approval of the Minutes of the Previous Meeting

Regular Meeting of June 22, 2011

4. Report of the Executive Director

5. Public Comments

The public may speak on matters that are within the jurisdiction of the Housing Commission. Each person is limited to three minutes.



Regular Agenda

6. Approve the Receipt of Family Self-Sufficiency Coordinator Grant Funding for the Housing Authority of the County of Los Angeles (All Districts)

Recommend that the Board of Commissioners authorize the Executive Director to accept \$690,000 in Family Self-Sufficiency (FSS) Coordinator Grant funding from HUD and take any and all related actions necessary to receive these funds from HUD; authorize the Executive Director to incorporate up to \$690,000 in FSS Coordinator Grant funding from HUD into the Housing Authority's approved Fiscal Year 2011-2012 budget; find that the receipt and incorporation of funds is not subject to the California Environmental Quality Act (CEQA) because the action is not defined as a project under CEQA and does not have the potential for causing a significant effect on the environment. (APPROVE).

7. Adopt Resolution Declaring Intent to Issue Multi-Family Housing Mortgage Revenue Bonds for Multi-Family Housing in the City of Compton (District 2)

Recommend that the Board of Commissioners adopt and instruct the Mayor to sign a Resolution, as required under Treasury Regulations, declaring an intent by the Housing Authority to undertake bond financing for Compton Senior Apartments L.P., a California Limited Partnership, in an amount not exceeding \$12,000,000 to finance the construction and development of Compton Senior Apartments, a 75-unit multifamily rental housing development to be located at 302 North Tamarind Avenue in the City of Compton; authorize the Executive Director or his designee to submit an application to the California Debt Limit Allocation Committee (CDLAC) for a private activity bond allocation in an aggregate amount not exceeding \$12,000,000 for the purposes described herein; find that adoption of this resolution is not subject to the California Environmental Quality Act (CEQA) because the proposed activity will not have the potential for causing a significant effect on the environment. (APPROVE)

8. Adopt Resolution Declaring Intent to Issue Multi-Family Housing Mortgage Revenue Bonds for a Multi-Family Housing Development located in the City of Bell Gardens (District 1)

Recommend that the Board of Commissioners adopt and instruct the Mayor to sign a Resolution, as required under Section 147(f) of the Internal Revenue Code of 1986, authorizing the issuance of Multifamily Housing Mortgage Revenue Bonds by the Housing Authority, in an aggregate amount not exceeding \$11,974,000, to assist Terra Bella L.P. (Developer), in financing the site acquisition and construction of Terra Bella, a 65-unit multifamily rental housing

project to be located at 5714-5722 Clara Street in the City of Bell Gardens; authorize the Executive Director or his designee to negotiate, execute, and if necessary amend or terminate all related documents and take all necessary actions for the issuance, sale, and delivery of the bonds; find that adoption of this resolution is not subject to the California Environmental Quality Act (CEQA) because the proposed activity will not have the potential for causing a significant effect on the environment. (APPROVE)

9. **Approve a Seven Month Extension of Lease Between the Housing Authority and Geary-Telegraph Investments for Administrative Building at 12131 Telegraph Road in Santa Fe Springs (All District)**

Recommend that the Board of Commissioners approve and authorize the Executive Director or his designee to execute Amendment No. 8 to the Lease with Geary-Telegraph Investments (Lessor), to extend the term for approximately seven months, through December 31, 2012, for the occupancy of approximately 42,170 rentable square feet of office space and 205 surface parking spaces at 12131 Telegraph Road in Santa Fe Springs; find that the proposed lease extension is not subject to the provisions of the California Environmental Quality Act (CEQA), as described herein, because the activities are not defined as a project under CEQA. (APPROVE)

10. **Approve a Power Purchase Agreement (PPA) for the Supply of Solar Generated Electricity at Nueva Maravilla and Carmelitos Housing Developments(Districts 1 & 4)**

Recommend that the Board of Commissioners approve and authorize the Executive Director or his designee to execute, amend, extend and if necessary, terminate a PPA in the amount of \$1,164,900 with Fresh Air Energy-I, LLC for the supply of solar electric power at the Nueva Maravilla and Carmelitos Housing Developments, using Community Development Commission (Commission) General Funds; authorize the Executive Director to incorporate up to \$1,164,900 in Commission General Funds into the Housing Authority's approved Fiscal Year 2011-2012 budget for the purposes described above; find that the approval of a PPA is exempt from the provisions of the California Environmental Quality Act (CEQA) because the work includes activities that will not have the potential for causing a significant effect on the environment. (APPROVE)

11. **Amend Contract with HD Supply Facilities Maintenance for Building Materials and Supplies at Housing Developments Countywide. (All Districts)**

Recommend that the Board of Commissions approve and authorize the Executive Director or his designee to amend and, if necessary, terminate the contract with HD Supply Facilities Maintenance, to

increase the contract amount from \$95,000 to \$295,000, to provide needed building material and supplies for the Housing Authority, to be effective following approval as to form by the County Counsel and execution by all parties; find that approving the amendment to the contract for needed building materials and supplies is exempt from the provisions of the California Environmental Quality Act because the activities will not have the potential for causing a significant effect on the environment. (APPROVE)

12. Housing Commissioners Comments and Recommendations for Future Agenda Items

Housing Commissioners may provide comments or suggestions for future Agenda items.

Copies of the preceding agenda items are on file and are available for public inspection between 8:00 a.m. and 5:00 p.m., Monday through Friday, at the Housing Authority's main office located at 2 Coral Circle in the City of Monterey Park. Access to the agenda and supporting documents is also available on the Housing Authority's website.

Agendas in Braille are available upon request. American Sign Language (ASL) interpreters, or reasonable modifications to Housing Commission meeting policies and/or procedures, to assist members of the disabled community who would like to request a disability-related accommodation in addressing the Commission, are available if requested at least three business days prior to the Board meeting. Later requests will be accommodated to the extent possible. Please contact the Executive Office of the Housing Authority by phone at (323) 890-7424, or by e-mail at donna.delvalle@lacdc.org, from 8:00 a.m. to 5:00 p.m., Monday through Friday.

THE HOUSING AUTHORITY OF THE COUNTY OF LOS ANGELES
MINUTES FOR THE REGULAR MEETING OF THE
LOS ANGELES COUNTY HOUSING COMMISSION

Wednesday June 22, 2011

The meeting was convened at the CDC Headquarters at 2 S. Coral Circle, Monterey Park, California.

Digest of the meeting. The Minutes are being reported seriatim. A taped record is on file at the main office of the Housing Authority.

The meeting was called to order by Chair Zella Knight at 12:12 p.m.

ROLL CALL

Present

Absent

Zella Knight, Chair	X	
Henry Porter, Vice Chair	X	
Val Lerch	X	
Laurence Levin		X
Alberta Parrish	X	
Adriana Martinez		X
Benita Pernell	X	

PARTIAL LIST OF STAFF PRESENT:

Emilio Salas, Deputy Executive Director
Maria Badrakhan, Director, Housing Management
Margarita Lares, Director, Assisted Housing

GUESTS PRESENT:

No guests were present.

Reading and Approval of the Minutes of the Previous Meeting

On Motion by Commissioner Knight, seconded by Commissioner Lerch, the Minutes of the Regular Meeting of May 25, 2011, were approved.

Agenda Item No. 4 – Report of the Executive Director

Director Maria Badrakhn reported on behalf of Deputy Executive Director Emilio Salas:

The Housing Authority has received 3 NAHRO awards of Merit and will be receiving awards at the NAHRO conference held in July.

The Housing Authority received 2 new grants for the Family Self-Sufficiency program. Public Housing is the recipient of 1 position and funding in the amount of \$69,000. The Section 8 program is the recipient of 9 positions and funding in the amount of \$621,000.

The Harbor Hills Housing Development will be hosting a basketball summer clinic sponsored by Los Angeles Laker, Kobe Bryant and Nike.

A tree planting event will be held on Saturday, June 25th from 9:00 am to 12:00 pm at the Carmelitos Housing Development site.

There will be a 3 on 3 basketball tournament held on July 23rd at the Harbor Hills Gymnasium. All proceeds will be going towards the Community Development Foundation Fund.

Agenda Item No. 5 - Presentation

Community Development Foundation (CDF) Scholarship Presentation – Jennifer Blackwell, CDF Executive Director

Agenda Item No. 6 - Public Comments

None at this time.

Agenda Item No. 7 - Closed Session

Regular Agenda

On Motion by Commissioner Porter, seconded by Commissioner Lerch, and unanimously carried, the following was approved by the Housing Commission. :

ADOPT SUPPLEMENTAL RESOLUTION DECLARING OFFICIAL INTENT TO
ISSUE MULTI FAMILY HOUSING MORTGAGE REVENUE BONDS FOR
MULTIFAMILY HOUSING IN UNINCORPORATED FLORENCE-FIRESTONE
AGENDA ITEM NO. 8

1. Recommend that the Board of Commissioners adopt and instruct the Mayor to sign a Resolution, as required under Treasury

1. Recommend that the Board of Commissioners adopt and instruct the Mayor to sign a Resolution, as required under Treasury Regulations, declaring an intent by Slauson Station Apartments, L.P. (Developer), a California Limited Partnership, to undertake bond financing in an amount not exceeding \$7,500,000 to finance the site acquisition and construction of Slauson Station Apartments, a 30-unit multifamily rental housing development located at 1707-1717 East 61st Street in unincorporated Florence-Firestone.
2. Recommend that the Board of Commissioners authorize the Executive Director or his designee to submit an application to the California Debt Limit Allocation Committee (CDLAC) for a private activity bond allocation in an aggregate amount not exceeding \$7,500,000 for the purposes described herein.

On Motion by Commissioner Lerch, seconded by Commissioner Porter, and unanimously carried, the following was approved by the Housing Commission. :

ADOPT RESOLUTION DECLARING INTENT TO ISSUE MULTI FAMILY
HOUSING MORTGAGE REVENUE BONDS FOR MULTIFAMILY HOUSING IN
THE CITY OF WEST HOLLYWOOD (DISTRICT 3)
AGENDA ITEM NO. 9

1. Recommend that the Board of Commissioners, acting as a responsible agency pursuant to the California Environmental Quality Act (CEQA), certify that the Housing Authority has considered the Notice of Exemption for the Courtyard at La Brea project, which was prepared by the City of West Hollywood as lead agency; and find that this project will not cause a significant impact on the environment.
2. Recommend that the Board of Commissioners adopt and instruct the Mayor to sign a Resolution, as required under Treasury Regulations, declaring an intent by the Housing Authority to undertake bond financing for West Hollywood Community Housing Corporation L.P., a California Limited Partnership, in an amount not exceeding \$8,000,000 to finance the construction and development of Courtyard at La Brea, a 32-unit multifamily rental housing development to be located at 1145-1151 North La Brea Avenue in the City of West Hollywood.
3. Recommend that the Board of Commissioners authorize the Executive Director or his designee to submit an application to the California Debt Limit Allocation Committee (CDLAC) for a private activity bond allocation in an aggregate amount not exceeding \$8,000,000 for the purposes described herein.

On Motion by Commissioner Porter, seconded by Commissioner Parrish, and unanimously carried, the following was approved by the Housing Commission :

ADOPT RESOLUTION DECLARING INTENT TO ISSUE MULTI FAMILY
HOUSING MORTGAGE REVENUE BONDS FOR MULTIFAMILY
HOUSING IN THE CITY OF SAN FERNANDO
(DISTRICT 3)
AGENDA ITEM NO. 10

1. Recommend that the Board of Commissioners, acting as a responsible agency pursuant to the California Environmental Quality Act (CEQA), certify that the Housing Authority has considered the Notice of Exemption for the Mid Celis Apartments project, which was prepared by the City of San Fernando as lead agency; and find that this project will not cause a significant impact on the environment.
2. Recommend that the Board of Commissioners adopt and instruct the Chair to sign a Resolution, as required under Treasury Regulations, declaring an intent by the Housing Authority to undertake bond financing for Mid Celis Apartments, L.P., a Limited Partnership, in an amount not exceeding \$5,000,000 to finance the acquisition and construction of a 20-unit multifamily rental housing development to be located at 1422 San Fernando Road in the City of San Fernando.
3. Recommend that the Board of Commissioners authorize the Executive Director or his designee to submit an application to the California Debt Limit Allocation Committee (CDLAC) for a private activity bond allocation in an aggregate amount not exceeding \$5,000,000 for the purposes described herein.

On Motion by Commissioner Porter, seconded by Commissioner Lerch, and unanimously carried, the following was approved by the Housing Commission. :

ADOPT RESOLUTION DECLARING INTENT TO ISSUE
MULTI FAMILY HOUSING MORTGAGE REVENUE BONDS FOR
MULTIFAMILY HOUSING IN THE CITY OF SAN FERNANDO
(DISTRICT 3)
AGENDA ITEM NO. 11

1. Recommend that the Board of Commissioners, acting as a responsible agency pursuant to the California Environmental Quality Act (CEQA), certify that the Housing Authority has considered the attached Initial Study/Mitigated Negative Declaration (IS/MND) for the SFCH project, which was prepared by the City of San Fernando as lead agency; find that the mitigation measures identified in the

IS/MND for this project are adequate to avoid or reduce potential impacts below significant levels; and find that this project will not cause a significant impact on the environment.

2. Recommend that the Board of Commissioners adopt and instruct the Mayor to sign a Resolution, as required under Treasury Regulations, declaring an intent by the Housing Authority to undertake bond financing for San Fernando Community Housing L.P., a California Limited Partnership, in an amount not exceeding \$9,000,000 to finance the construction and development of a 62-unit multifamily rental housing development to be located at 131 and 134 Park Avenue and 130, 134 and 140 Jesse Street in the City of San Fernando.
3. Recommend that the Board of Commissioners authorize the Executive Director or his designee to submit an application to the California Debt Limit Allocation Committee (CDLAC) for a private activity bond allocation in an aggregate amount not exceeding \$9,000,000 for the purposes described herein.

On Motion by Commissioner Lerch, seconded by Commissioner Porter, and unanimously carried, the following was approved by the Housing Commission. :

APPROVE A CONSTRUCTION CONTRACT FOR ROOF REPLACEMENT
AT THE VILLA NUEVA HOUSING DEVELOPMENT
(DISTRICT 1)
AGENDA ITEM NO. 12

1. Recommend that the Board of Commissioners approve and authorize the Executive Director or his designee to execute and if necessary, terminate a Contract in the amount of \$107,956 to Western States Roofing and Construction to complete roof replacement including all accessories and associated work at the Villa Nueva housing development, using \$107,956 in Rental Housing Construction Program (RHCP) revenue allocated by the State of California.
2. Recommend that the Board of Commissioners authorize the Executive Director to approve Contract change orders not to exceed \$10,795 for unforeseen project costs, using the same source of funds and following approval as to form by County Counsel.
3. Recommend that the Board of Commissioners find that the approval of the Contract is exempt from the provisions of the California Environmental Quality Act (CEQA).

On Motion by Commissioner Porter, seconded by Commissioner Lerch, and unanimously carried, the following was approved by the Housing Commission. :

**APPROVE A CONSTRUCTION CONTRACT FOR PHASE TWO HARBOR HILLS
HOUSING DEVELOPMENT KITCHEN REMODEL PROJECT
(DISTRICT 4)
AGENDA ITEM NO. 13**

1. Recommend that the Board of Commissioners approve and authorize the Executive Director or his designee to execute and if necessary terminate a Contract in the amount of \$2,220,000 with Cal-City Construction, Inc., to complete the kitchen remodel of 201 units and the Community Center kitchen at the Harbor Hills Housing Development, using Capital Fund Program (CFP) funds allocated by the U.S. Department of Housing and Urban Development (HUD) and included in the Housing Authority's approved Fiscal Year 2011-2012 budget.
2. Recommend that the Board of Commissioners authorize the Executive Director or his designee to approve Contract change orders not to exceed \$444,000 for unforeseen project costs, using CFP funds and following approval as to form by County Counsel.
3. Recommend that the Board of Commissioners find that the approval of the Contract is exempt from the provisions of the California Environmental Quality Act (CEQA).

On Motion by Commissioner Porter, seconded by Commissioner Lerch, and unanimously carried, the following was approved by the Housing Commission. :

**APPROVE A CONSTRUCTION CONTRACT FOR PARKING
LOTS AND SIDEWALKS IMPROVEMENTS AT THE
HARBOR HILLS HOUSING DEVELOPMENT
(DISTRICT 4)
AGENDA ITEM NO. 14**

1. Recommend that the Board of Commissioners approve and authorize the Executive Director or his designee to execute and if necessary, terminate a Contract in the amount of \$513,279 with Amtek Construction to complete the modernization of three parking lots, adjacent sidewalks and all associated work at the Harbor Hills Housing Development, using Capital Fund Program (CFP) funds allocated by the U.S. Department of Housing and Urban Development (HUD) and included in the Housing Authority's approved Fiscal Year 2011-2012 budget.

2. Recommend that the Board of Commissioners authorize the Executive Director or his designee to approve Contract change orders not to exceed \$51,327 for unforeseen project costs, using CFP funds and following approval as to form by County Counsel.
3. Recommend that the Board of Commissioners find that approval of the Contract is exempt from the provisions of the California Environmental Quality Act (CEQA).

On Motion by Commissioner Porter, seconded by Commissioner Parrish, and unanimously carried, the following was approved by the Housing Commission. :

APPROVE SERVICE CONTRACT FOR WIRELESS BROADBAND SERVICES AT
THE HARBOR HILLS HOUSING DEVELOPMENT
(DISTRICT 4)
AGENDA ITEM NO. 15

1. Recommend that the Board of Commissioners approve and authorize the Executive Director or his designee to execute and if necessary, terminate a Contract with One Economy Corporation, to design, install, and provide network monitoring and maintenance of the system for a term of five years at the sole cost and expense of One Economy Corporation.
2. Recommend that the Board of Commissioners authorize the Executive Director or his designee to approve a Contract with limited warranty and limitation of liability language, which will allow One Economy Corporation, a non-profit organization, to establish broadband availability, affordability and adoption at the Harbor Hills housing development.
3. Recommend that the Board of Commissioners find that the approval of the Contract is exempt from the provisions of the California Environmental Quality Act (CEQA).

Agenda Item No. 16 – Housing Commissioner Comments and Recommendations for Future Agenda Items

Commissioner Lerch extended an invitation to his fellow Commissioners to join him at the Carmelitos tree planting event.

Commissioner Porter informed all attendees that effective July 1st, plastic grocery bags have been banned in several cities throughout Los Angeles County. A charge of 10 cents per bag will be implemented if the consumer is in need of a bag. Commissioner Porter suggested that staff inform the residents of the information.

Commissioner Knight expressed that she would be interested in attending the NAHRO Conference that will be held in July in Louisville, Kentucky.

On Motion by Commissioner Porter the Regular Meeting of June 22, 2011, was adjourned at 2:03 pm.

Respectfully submitted,



for SEAN ROGAN
Executive Director
Secretary –Treasurer

Housing Authority - County of Los Angeles

FOR YOUR INFORMATION ONLY

July 27, 2011

TO: Housing Commissioners

FROM: Margarita Lares, Director, Assisted Housing Division

RE: **FSS PROGRAM UPDATE - JUNE 2011**

The Family Self-Sufficiency (FSS) Program is a HUD initiative intended to assist Public Housing residents and Housing Choice Voucher Program participants achieve economic independence and self-sufficiency.

Activities

RECRUITMENT	16	Applications Received
	18	Applications Sent
ENROLLMENTS	2	New FSS Participants
TERMINATIONS	1	Participant Terminated from FSS: Port to another PHA
	3	Participant Terminated from Section 8 (EOP)
MEETINGS	1	SASSFA Partnership monthly meeting
WORKSHOPS Program Presentations	1	SASSFA monthly Partnership meetings
	2	Disseminated Credit Repair Informational Packets
	2	Disseminated Budget Informational Packets
REFERRALS	36	Job referral from the employment network job board
	2	Educational Facilities
	4	WorkSource Center employment workshops and job fairs
GRADUATIONS	3	Pending requests for graduation

If you have any questions, please feel free to contact me at (562) 347-4837.

ML:AS:dt

FAMILY SELF-SUFFICIENCY (FSS) REPORT SUPPLEMENT

Listed below are descriptions of frequently used language in the monthly FSS Report.

1. **SASSFA**-Acronym for Southeast Area Social Services Funding Authority. They oversee all the funding for Worksource Centers, who provide job training, job placement, and skill assessment. We have a partnership with them, which in turn benefits our clients by providing services that we would not be able to provide on our own. There are about 75 Worksource Centers located in Southern California.
2. **The Employment Network Job Board** is located in the Family Self-Sufficiency department of the Assisted Housing Division located at 12131 Telegraph Road, Santa Fe Springs, CA and is a compilation of job leads, job requests and training information supplied by our various partnered agencies and is updated on a bi-weekly basis. The network board may also include referrals to other types of services, such as job fairs, resume preparation or social services. All these resources are shared with FSS participants.
3. **Emergency Transportation Assistance** refers to bus tokens issued by FSS staff to FSS participants who are having short term transportation problems. This would include those who have started a new job and need transportation assistance until they receive a pay check; those who need assistance in order to get to a job interview; those who are starting school and may not have been able to make arrangements to carpool prior to enrollment; those who have had a temporary transportation emergency, such as a automobile accident or auto break down. Part of this assistance may also include referrals to other agencies which may have bus tokens or passes available.

Housing Authority - County of Los Angeles

FOR YOUR INFORMATION ONLY

July 27, 2011

TO: Housing Commissioners

FROM: Emilio Salas, Deputy Executive Director



SUBJECT: STATUS OF THE AMERICAN RECOVERY AND REINVESTMENT ACT OF 2009 HOMELESSNESS PREVENTION AND RAPID RE-HOUSING PROGRAM (HPRP)

The Homelessness Prevention and Rapid Re-Housing Program (HPRP) is a collaborative effort among the Community Development Commission-Community Development Block Grant Division (CDC-CDBG), the County's Chief Executive Office, implementing County Departments, local Non-Profit Organizations, and the Los Angeles Homeless Services Authority (LAHSA).

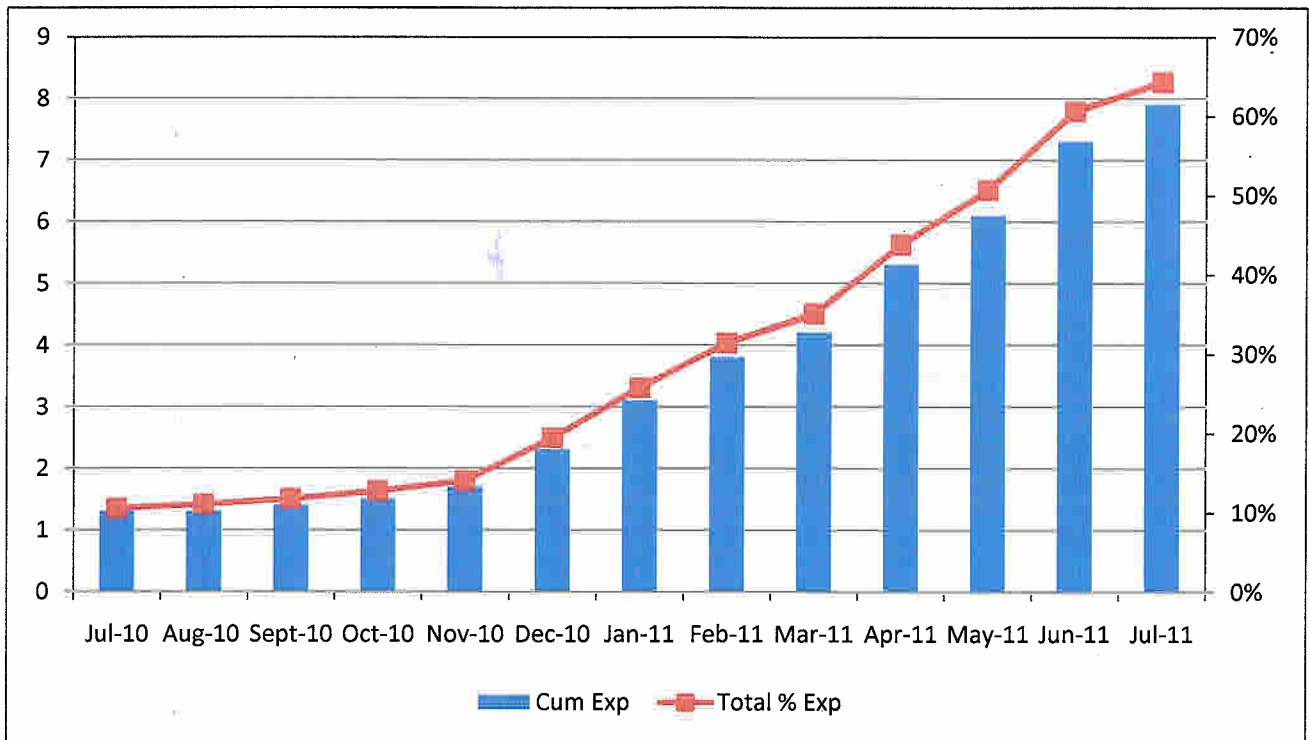
Actions since the last report include the following:

- As of July 9, 2011, \$7,938,048.95 (65.08%) of the \$12,197,108 budget has been expended (see attached chart)
- The HPRP has served 1,771 households through June 30, 2011.
- The HPRP monthly partner meeting was held on July 12, 2011.
- CDC-CDBG will continue to collaborate with our partners over the next few months to develop a protocol for closing out the program. HUD has indicated that detailed guidance for HPRP Grant Closeout is forthcoming.

TG:AC:ec
H:TG/ARRA/ARRA Status Report For HPRP (As of July 2011)

Attachment

HPRP CUMULATIVE EXPENDITURES, IN MILLIONS



Month	Cum Exp	Total % Exp
Jul-10	\$ 1,258,444.73	10.49%
Aug-10	\$ 1,302,795.89	10.99%
Sept-10	\$ 1,424,267.03	11.68%
Oct-10	\$ 1,548,014.88	12.69%
Nov-10	\$ 1,703,129.97	13.96%
Dec-10	\$ 2,363,254.90	19.38%
Jan-11	\$ 3,137,110.79	25.72%
Feb-11	\$ 3,825,665.90	31.37%
Mar-11	\$ 4,274,043.56	35.04%
Apr-11	\$ 5,340,295.92	43.78%
May-11	\$ 6,179,581.90	50.66%
Jun-11	\$ 7,395,617.17	60.63%
Jul-11	\$ 7,938,048.95	65.08%

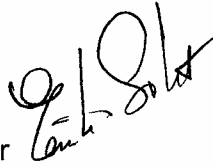
Housing Authority - County of Los Angeles

FOR YOUR INFORMATION ONLY

July 27, 2011

TO: Housing Commissioners

FROM: Emilio Salas, Deputy Executive Director



SUBJECT: STATUS OF THE COMMUNITY DEVELOPMENT BLOCK GRANT-RECOVERY (CDBG-R) PROGRAM, FUNDED BY THE AMERICAN RECOVERY AND REINVESTMENT ACT OF 2009 (ARRA)

The Community Development Block Grant (CDBG) Division is closely monitoring CDBG-R subrecipients to ensure that they spend all of their allocated funds by June 30, 2012.

We are currently pacing at an appropriate level: as of July 11, 2011, \$5,752,239.78 (73.24%) of the total \$7,853,698.20 under contract has been expended. To ensure that subrecipients meet all of the aforementioned grant requirements, we continue to closely monitor their performance. Following are major actions taken since the last report:

- To date, 42 (63%) of the 66 projects are completed. Some of these were completed below budget, and the excess undisbursed funds were recaptured and reallocated to other existing well-performing CDBG-R activities.
- In order to fully expend the grant funds, as projects are completed and closed out, we will continue to reallocate remaining undisbursed funds to other ongoing CDBG or CDBG-R projects that can use the additional funding, and that are in full compliance with the grant requirements.
- CDBG staff is closely monitoring low-performing agencies and providing them with requisite technical assistance to ensure that they adhere to their required corrective actions which include: (a) submittal of any delinquent reimbursement requests; and (b) adherence to the project implementation and expenditure target dates stated in their action plans.

TG:AC:ec

K://TG/ARRA/ARRA Status Report For CDBG-R (As of July 2011)

Community Development Commission

FOR YOUR INFORMATION ONLY

June 30, 2011

TO: Each Supervisor

FROM: Sean Rogan, Executive Director



SUBJECT: **UPDATE ON THE PURSUIT AND IMPLEMENTATION OF FUNDING MADE AVAILABLE IN H.R. 1, THE AMERICAN RECOVERY AND REINVESTMENT ACT (ARRA) OF 2009**

On March 31, 2009, the Board of Supervisors (Board) requested that the Community Development Commission/Housing Authority of the County of Los Angeles (CDC/HACoLA) report on the efforts to apply for, or take the necessary steps to accept, each category of funding contained within ARRA that the CDC/HACoLA is eligible to receive, either by formula or by competitive grant application. In all, the CDC/HACoLA was awarded \$33,603,148 of the \$114,312,431 applied for.

Funding Awarded

PUBLIC HOUSING CAPITAL FUND (CF)

Funding Amount: \$7,401,512 (by formula)

Award of Funds: On March 31, 2009, the Board of Commissioners approved a motion to accept the grant funds, and funding became available to the HACoLA on May 14, 2009.

Use of Funds: The funds are being used for security improvements, energy efficiency work measures, preventive maintenance, and general improvements at 12 public housing developments comprised of 2,500 public housing units. As a direct result of CF formula activities, the HACoLA has reported a total of 73 full-time equivalent jobs (that were created or retained) through the 3rd Quarter of Program Year (PY) 2010-2011 to FederalReporting.gov.

Expenditure Levels: As of June 22, 2011, the HACoLA had expended \$7,229,010 of the \$7,401,512 obligated.

Provisions: The HACoLA must obligate 100% of the funds within 1 year, expend 60% of the funds in 2 years, and complete 100% of the fund expenditures in 3 years. The HACoLA has met the mandatory obligation deadline.

Funding Amount: \$5,924,000 (Applied for \$22,399,000 by competition.)

Award of Funds: On June 22, 2009, the HACoLA applied for \$16,475,000 in funding for improvements addressing the needs of the elderly and/or people with disabilities and public housing transformation. Additionally, on July 21, 2009, the HACoLA applied for \$5,924,000 in funding for energy efficient/green community projects.

Use of Funds: The HACoLA was only awarded funding in the 'Creation of an Energy Efficient Green Community' category in the amount of \$5,924,000. Funds were granted on September 29, 2009, and are being used at the Nueva Maravilla housing development to reduce energy costs, generate resident and HACoLA energy savings, and reduce greenhouse gas emissions attributable to energy consumption. A total of 28 full-time

equivalent jobs were created or retained through the 3rd Quarter PY 2010-2011 and have been reported to FederalReporting.gov.

Expenditure Levels: On December 1, 2009, the Board approved the acceptance of the funds. As of June 22, 2011, the HACoLA had expended \$2,585,873 of the \$5,924,000 obligated.

Provisions: The HACoLA must obligate 100% of the funds within 1 year of the date in which funds become available for contracts. The U.S. Department of Housing and Urban Development (HUD) requires the HACoLA to use at least 60% of the funds within 2 years and 100% of the funds within 3 years. The HACoLA has met the mandatory obligation deadline.

COMMUNITY DEVELOPMENT BLOCK GRANT-RECOVERY (CDBG-R)

Funding Amount: \$8,080,528 (by formula)

Award of Funds: The CDC submitted an amendment to the CDBG PY 2008 Action Plan (as required by ARRA) on June 5, 2009, after receiving approval from the Board on June 2, 2009. The CDC received the CDBG-R Grant Agreements on August 26, 2009.

Use of Funds: The CDC worked with the agencies affected by CDBG/ARRA regulations and submitted a final list of projects for approval to HUD on August 13, 2009, and the Board on August 18, 2009. Both HUD and the Board approved the list for the CDC's CDBG-R Program. Project activities include public improvements, housing rehabilitation, economic development, public services, and administration. During the 3rd Quarter of Fiscal Year (FY) 2010-2011, the following activities were completed: rehabilitation of 124 housing units; economic development activities assisting 1 business serving an area with 43,594 residents; and construction on 2 public improvement projects, including sidewalk improvements serving an area with 7,160 residents. Funds were disallowed for the public facility serving a predominantly low- and moderate-income school population, which were reported last month. In addition, a total of 1,137 jobs have been created or retained, which corresponds to 104.53 full-time equivalent positions to date.

The CDC has recaptured and reallocated funds for lack of expenditure or progress on projects. Funds were reprogrammed into existing CDBG-R activities that were in need of additional funding.

Expenditure Levels: As of June 20, 2011, the CDC had expended \$5,645,988.

Provisions: The CDC must use all CDBG-R funds by September 30, 2012.

HOMELESSNESS PREVENTION AND RAPID RE-HOUSING PROGRAM (HPRP)

Funding Amount: \$12,197,108 (by formula)

Award of Funds: The CDC submitted a completed application to HUD on May 18, 2009, which was subsequently approved the following June. Trainings on reporting, program monitoring, and general implementation were held for the applicable County Departments on August 19, 2009, and the CDC received the HPRP Grant Agreements on August 20, 2009.

Use of Funds: Implementation of HPRP began on October 1, 2009; and the Departments of Public Social Services, Consumer Affairs, Community and Senior Services, and the Los Angeles Homeless Services Authority (LAHSA) have been working collaboratively to deliver

assistance to those in need. In addition, Neighborhood Legal Services began offering legal assistance and representation to persons and families with unlawful detainers on November 1, 2009.

On August 31, 2010, the Board of Commissioners gave approval for 3 non-profit organizations (People Assisting the Homeless, Volunteers of America, and Union Station Homeless Services) to receive funding to provide HPRP services, and added 19 previously unserved cities that did not receive Federal or State HPRP funds within the County. We continue to provide training and guidance to County Departments and non-profit staff for consistent service delivery to those in need. We are actively monitoring the progress of these activities to ensure compliance with the requirements. Contract amendments to allow for time extensions to December 31, 2011, were processed to allow for the full expenditure of grant funds.

The HPRP workgroup meets monthly to communicate concerns, provide updates, and to problem solve in order to maintain progress with the program. We currently have 2 service providers that can no longer serve new clients given the current number of participants being subsidized and cases managed. We have begun to strategize about closing the program to ensure that we do not continue accepting participants into the program beyond the appointed date to allow for timely processing.

The number of clients assisted continues to increase. From program start through June 17, 2011, 3,673 persons from 1,730 households have been assisted; this number is based on the data entered into the Homeless Management Information System (HMIS) on the number of people served. Further, from program start, a total of 807 jobs have been created or retained, which corresponds to 126.89 full-time equivalent positions as of the 3rd Quarter of PY 2010-2011.

Expenditure Levels: As of June 20, 2011, the CDC had expended \$7,552,614, or 62%, of the total funding. We met the 60% expenditure requirement 2 months in advance of the August 18, 2011 deadline. We expect the program to be complete by December 31, 2011.

Provisions: HUD requires that 60% of the funds be used by August 18, 2011 and 100% by August 1, 2012.

Unsuccessful Grant Applications

GREEN RETROFIT PROGRAM FOR MULTIFAMILY HOUSING

Funding Amount: Applied for \$2,260,000 by competition.

Award of Funds: The HACoLA submitted applications for the Kings Road and Lancaster Homes Housing Developments on June 15, 2009. The HACoLA did not receive this grant.

Use of Funds: Had the HACoLA been awarded, the funds would have been used for the modernization and rehabilitation of the Kings Road and Lancaster Homes developments.

Each Supervisor
June 30, 2011
Page 4

JUVENILE JUSTICE AND CRIME PREVENTION ACT PROGRAM (JJCPA)/EDWARD BYRNE MEMORIAL COMPETITIVE GRANT PROGRAM

Funding Amount: Applied for \$974,283 by competition.

Award of Funds: The CDC submitted an application on April 27, 2009. The CDC did not receive this grant.

Use of Funds: Had the CDC been awarded, the funds would have been used to support existing JJCPA programs.

NEIGHBORHOOD STABILIZATION PROGRAM 2 (NSP2)

Funding Amount: Applied for \$61,000,000 by competition.

Use of Funds: Had the CDC been awarded, the funds would have been used to supplement the NSP1 program, which includes the HERO program and Rental Infill Sites activities for tenants below 50% of the area median income (AMI).

If you have any questions, please contact me at (323) 890-7400, or Terry Gonzalez, Director, CDBG Division, at (323) 890-7150.

SR\TG\SH\nm
K:\CDBG COMMON\IGR-PI\ARRA Board Memo\2011\June '11 ARRA Memo.doc

Attachment

- c: Each Deputy
Brence Culp, Chief Deputy Chief Executive Officer, Chief Executive Office
Ellen Sandt, Deputy Chief Executive Officer, Chief Executive Office
Kathy House, Assistant Chief Executive Officer, Chief Executive Office
Sachi A. Hamai, Executive Officer/Clerk Board of Supervisors
Lisa Rizzo, Principal Analyst, Chief Executive Office
Scott Wiles, Special Assistant, Chief Executive Office
Libby Boyce, Homeless Services Coordinator, Chief Executive Office

The CDC/HACoLA
American Recovery and Reinvestment Act of 2009 (ARRA) Final Award Amounts

	ARRA GRANT OPPORTUNITY	FUNDING AGENCY	FORMULA AMOUNT/ \$ APPLIED FOR	AMOUNT AWARDED	GRANT AGREEMENT*
1	Capital Fund (formula)	HUD	\$7,401,512	\$7,401,512	Yes
2	Capital Fund (competitive) - Disabilities Category	HUD	\$9,235,000	Did Not Receive	No
3	Capital Fund (competitive) - PH Transformation	HUD	\$7,240,000	Did Not Receive	No
4	Capital Fund (competitive) - Green Technology	HUD	\$5,924,000	\$5,924,000	Yes
5	Community Development Block Grant - Recovery	HUD	\$8,080,528	\$8,080,528	Yes
6	Neighborhood Stabilization Program 2	HUD	\$61,000,000	Did Not Receive	No
7	Homeless Prevention and Rapid Re-Housing Program	HUD	\$12,197,108	\$12,197,108	Yes
8	Green Retrofit Program for Multifamily Housing	HUD	\$2,260,000	Did Not Receive	No
9	Edward Byrne Memorial Competitive Grant	DOJ	\$974,283	Did Not Receive	No
Total Awarded Under ARRA			\$33,603,148		

**Grant Agreement Received – Funds available for drawdown at U.S. Treasury.*

Hello,

Welcome back! I hope you had a safe holiday. Below please find an update on State and Federal legislative activity of interest to the CDC. Please let me know if you have any questions.

California's Fiscal Year (FY) 2011-2012 Budget

With minimal fanfare, Governor Jerry Brown signed the state budget on June 30, hours before the Constitutional deadline. A day earlier, the Governor signed the two-bill package that eliminates redevelopment agencies (ABX1 26), but gives them the ability to save themselves by agreeing to provide certain payments back to schools (ABX1 27), to help save the state about \$1.7B in backfill to the schools. While redevelopment officials including the CA Redevelopment Association have pledged to file suit any day, individual agencies have begun to issue warnings that they could not make the payments required by ABX1 27 and would instead choose to go out of business. Those that remain are permitted to skip one year of payments to the low-mod fund; for those that go out of business, their remaining housing activities are wound down, their Low-Mod Funds transferred to the local PHA or to HCD. The bill diverts approximately \$400M statewide in 2012-13 and further "out years," with no further take of housing funds allowed.

All of this presumes that CRA's legal challenge—premised on 8 separate alleged Constitutional violations—does not succeed. If it does, the Governor and the Democrats are back at the bargaining table, hunting for \$1.7B.

Federal Legislation - Section 8 Savings Act of 2011

On June 23, Tony Bazzie, Executive Director of the Raleigh County (W. Va.) Housing Authority, testified before the House Financial Services Subcommittee on Insurance, Housing and Community Opportunity, on a recently released discussion draft, currently entitled the Section 8 Savings Act (SESA), to reform the Housing Choice Voucher program. The hearing, which was chaired by Representative Judy Biggert (R-Ill.), enabled the administration and interested stakeholders to provide comments and recommendations on SESA prior to its introduction. However, language from previous iterations of the proposed Section Eight Voucher Reform Act (SEVRA) legislation that authorized a comprehensive renewal funding formula, which many believe would provide much-needed stability in the face of current budget and spending uncertainties, was not included in the discussion draft. Many PHAs and national organizations have expressed grave concerns regarding decreased administration fee funding, the resultant loss of staff, and the need to address this problem, in part, through responsible program reform.

At this point, there is no indication of the timing of any formal release of SESA in the House. Further, there is also no companion legislation to SESA in the Senate, though that chamber has also indicated an interest in moving voucher reform legislation forward.

Congress and the Fight over the Federal Fiscal Year (FFY) 2012 Budget

Legislators missed the July 1 deadline they set for themselves to reach an agreement after House Majority Leader Eric Cantor (R-Va.) abruptly withdrew from the talks a few weeks ago. As such, President Obama has taken more of a leading role in negotiations to raise the debt limit, a test of his leadership that will have profound economic effects.

There appears to be no clear path forward as the rhetorical positions of Congressional Democrats and Republicans outside the talks have only hardened in recent weeks.

We'll keep monitoring and report on these and other legislative matters of impact to the CDC.



**HOUSING AUTHORITY
of the County of Los Angeles**

Administrative Office

2 Coral Circle • Monterey Park, CA 91755

323.890.7001 • TTY: 323.838.7449 • www.lacdc.org



Gloria Molina
Mark Ridley-Thomas
Zev Yaroslavsky
Don Knabe
Michael D. Antonovich
Commissioners

Sean Rogan
Executive Director

July 27, 2011

Honorable Housing Commissioners
Housing Authority of the
County of Los Angeles
2 S Coral Circle
Monterey Park, California 91755

Dear Commissioners:

**APPROVE THE RECEIPT OF FAMILY SELF-SUFFICIENCY COORDINATOR GRANT
FUNDING FOR THE HOUSING AUTHORITY OF THE COUNTY OF LOS ANGELES
(ALL DISTRICTS)**

SUBJECT

This letter requests approval to accept and incorporate up to \$690,000 in grant funding for the Family Self-Sufficiency program from the U.S. Department of Housing and Urban Development (HUD) into the Housing Authority of the County of Los Angeles' (Housing Authority) approved Fiscal Year 2011-2012 budget.

IT IS RECOMMENDED THAT YOUR COMMISSION:

1. Recommend that the Board of Commissioners authorize the Executive Director to accept \$690,000 in Family Self-Sufficiency (FSS) Coordinator Grant funding from HUD and take any and all related actions necessary to receive these funds from HUD.
2. Recommend that the Board of Commissioners authorize the Executive Director to incorporate up to \$690,000 in FSS Coordinator Grant funding from HUD into the Housing Authority's approved Fiscal Year 2011-2012 budget.
3. Recommend that the Board of Commissioners find that the receipt and incorporation of funds is not subject to the California Environmental Quality Act (CEQA) because the action is not defined as a project under CEQA and does not have the potential for causing a significant effect on the environment.



PURPOSE/JUSTIFICATION OF RECOMMENDED ACTIONS

The purpose of this action is to accept and incorporate up to \$690,000 in FSS Coordinator Grant funding into the Housing Authority's approved Fiscal Year 2011-2012 budget to cover FSS Coordinator administrative costs for the FSS Program.

FISCAL IMPACT/FINANCING

There is no impact on the County general fund.

The Housing Authority applied for and has been awarded \$690,000 in FSS federal grant funding from HUD to cover ten FSS Coordinator administrative positions. A total of \$621,000 will fund nine positions for the Assisted Housing Division, and the remaining \$69,000 will fund one position for the Housing Management Division.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The FSS program is a HUD mandated program that requires public housing agencies (PHAs) to develop strategies, such as job training, homeownership programs, scholarships, tuition reimbursement, childcare and transportation, to help Section 8 Housing Choice Voucher families and public housing residents obtain employment that will lead to economic independence and self-sufficiency.

The FSS escrow is a unique feature of the program whereby an interest-bearing FSS escrow account is established by the PHA for each participating family. Upon becoming employed, FSS participants continue to pay rent in accordance with the Housing Authority's housing choice voucher procedures. An escrow deposit, based on increases in earned income of the family, is credited to this account using HUD funds during the term of the FSS contract. If the family successfully completes the program, the family can apply to graduate from the program and receive the accrued portion of their escrow account.

Periodically, HUD provides FSS administrative funds to assist public housing agencies in achieving FSS goals. The Housing Authority applied for funding in December 2010 and was notified in June 2011 that it was awarded a total of ten FSS Coordinator Grants to offset the costs of FSS Coordinator positions. This is the first time the Housing Management Division has received FSS funding and the second consecutive year of funding for the Assisted Housing Division. Housing Management will be recruiting for a new contract position and Assisted Housing will use the funds to cover costs of existing staff who administer the FSS program.

As of May 2011, seven families have graduated from the Housing Authority's FSS program in the current Fiscal Year, and the Housing Authority is currently providing FSS supportive services to 472 families.

ENVIRONMENTAL DOCUMENTATION

This action is exempt from the provisions of the National Environmental Policy Act pursuant to 24 Code of Federal Regulations, Part 58, Section 58.34 (a)(3) because it involves administrative and management activities that will not have a physical impact on or result in any physical changes to the environment. The action is not subject to the provisions of CEQA pursuant to State CEQA Guidelines 15060(c)(3) and 15378 because it is not defined as a project under CEQA and does not have the potential for causing a significant effect on the environment.

IMPACT ON CURRENT SERVICES AND PROJECTS

The acceptance and incorporation of funds will enable the Housing Authority to continue administering the FSS program and continue providing supportive services to the 472 low and moderate-income Section 8 Housing Choice Voucher families currently enrolled under the FSS program.

Respectfully submitted,



for SEAN ROGAN
Executive Director



**HOUSING AUTHORITY
of the County of Los Angeles**

Administrative Office

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Gloria Molina
Mark Ridley-Thomas
Zev Yaroslavsky
Don Knabe
Michael D. Antonovich
Commissioners

Sean Rogan
Executive Director

July 27, 2011

Honorable Housing Commissioners
Housing Authority of the
County of Los Angeles
2 S Coral Circle
Monterey Park, California, 91755

Dear Commissioners:

**ADOPT RESOLUTION DECLARING INTENT TO ISSUE MULTI FAMILY
HOUSING MORTGAGE REVENUE BONDS FOR MULTIFAMILY HOUSING
IN THE CITY OF COMPTON
(DISTRICT 2)**

SUBJECT

This letter recommends that the Board adopt a Resolution declaring the intent to issue Multifamily Housing Mortgage Revenue Bonds to finance the construction and development of Compton Senior Apartments, a 75-unit multifamily rental housing development to be located in the City of Compton.

IT IS RECOMMENDED THAT YOUR COMMISSION:

1. Recommend that the Board of Commissioners adopt and instruct the Mayor to sign a Resolution, as required under Treasury Regulations, declaring an intent by the Housing Authority to undertake bond financing for Compton Senior Apartments L.P., a California Limited Partnership, in an amount not exceeding \$12,000,000 to finance the construction and development of Compton Senior Apartments, a 75-unit multifamily rental housing development to be located at 302 North Tamarind Avenue in the City of Compton.
2. Recommend that the Board of Commissioners authorize the Executive Director or his designee to submit an application to the California Debt Limit Allocation Committee (CDLAC) for a private activity bond allocation in an aggregate amount not exceeding \$12,000,000 for the purposes described herein.



3. Recommend that the Board of Commissioners find that adoption of this resolution is not subject to the California Environmental Quality Act (CEQA) because the proposed activity will not have the potential for causing a significant effect on the environment.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The purpose of this action is to declare the intent of the Housing Authority to issue Multifamily Housing Mortgage Revenue Bonds in an aggregate amount not exceeding \$12,000,000, and to authorize the Executive Director of the Housing Authority to apply to CDLAC for a private activity bond allocation in the same amount, in order to finance the construction and development of Compton Senior Apartments.

FISCAL IMPACT/FINANCING

There is no impact on the County general fund.

The bonds will be repaid solely through rent revenues collected by the Developer. The Developer will pay all fees and related costs.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The Project, to be located at 302 North Tamarind Avenue in the City of Compton, will be a three-story apartment building, comprised of 60 one-bedroom units and fifteen two-bedroom units. All of the units excluding the manager's unit will be reserved for households with incomes that do not exceed 50% of the area median income for the Los Angeles-Long Beach Metropolitan Statistical Area, adjusted for household size, as determined by the U.S. Department of Housing and Urban Development (HUD). The manager's unit will have no affordability requirements. The affordability requirements will remain in effect for 55 years. All affordable units will be occupied by seniors.

On June 14, 2011, the City Council of the City of Compton adopted a resolution authorizing the Housing Authority of The County of Los Angeles to issue multifamily revenue bonds to finance the construction and development of the Compton Senior Apartments.

On June 21, 2011 the Chairman of the Urban Community Development Commission, acting as the Local Housing Authority of the City of Compton, adopted a resolution, authorizing the Executive Secretary to work out the terms of a Cooperation Agreement between the Housing Authority of the County of Los Angeles and the Compton Local Housing Authority.

Adoption of the Resolution by the Board announcing the intent to issue Multifamily Housing Mortgage Revenue Bonds is required to establish a base date after which

Honorable Housing Commissioners
July 27, 2011
Page 3

costs incurred by the Developer may be included in the construction and permanent financing obtained pursuant to issuance of the tax-exempt bonds. The Resolution is also required to complete the Housing Authority's application to CDLAC.

On July 19, 2011, the Housing Authority conducted a hearing at its office located at 2 Coral Circle in Monterey Park regarding the issuance of multifamily bonds to finance the Project, pursuant to Section 147(f) of the Internal Revenue Code. No comments were received at the public hearing concerning the issuance of the bonds or the nature and location of the Project.

The attached Resolution was prepared by Kutak Rock, Housing Authority Bond Counsel, and approved as to form by County Counsel.

ENVIRONMENTAL DOCUMENTATION

This action is not subject to the provisions of CEQA pursuant to State CEQA Guidelines 15060(c)(3) and 15378 because it is not defined as a project under CEQA and does not have the potential for causing a significant effect on the environment.

In accordance with the requirements of CEQA, the Board of Commissioners of the Housing Authority, acting as a responsible agency, approved the Initial Study/Mitigated Negative Declaration prepared by the City of Compton for this project on March 29, 2011.

IMPACT ON CURRENT PROJECT

The proposed action is a necessary step to facilitate bond financing for the Project, which will increase the supply of affordable multifamily housing in the County with long-term affordability.

Respectfully submitted,



for SEAN ROGAN
Executive Director

Enclosures

**RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE HOUSING
AUTHORITY OF THE COUNTY OF LOS ANGELES OFFICIAL
DECLARATION OF INTENT TO UNDERTAKE THE FINANCING OF A
MULTIFAMILY HOUSING PROJECT AND RELATED ACTIONS**

WHEREAS, the Housing Authority of the County of Los Angeles (the "Authority") is authorized and empowered by the provisions of Chapter 1 of Part 2 of Division 24 of the Health and Safety Code of the State of California (the "Act") to issue and sell mortgage revenue bonds as part of a plan of financing for the purpose of making loans or otherwise providing funds to finance the acquisition, construction, rehabilitation and development of multifamily residential rental housing projects, including units for households meeting the income limits set forth in the Act; and

WHEREAS, Compton Senior Apartments, L.P. (or an affiliate or assign) (the "Borrower"), has requested that the Authority issue and sell its mortgage revenue bonds pursuant to the Act to provide financing for the acquisition and construction of a multifamily rental housing development consisting of 74 units to be located at 302 North Tamarind, Compton, California 90220 in Los Angeles County (the "Project"); and

WHEREAS, this Board of Commissioners of the Authority (the "Board") hereby finds and declares that it is necessary, essential and a public purpose for the Authority to finance multifamily housing projects pursuant to the Act, in order to increase the supply of multifamily housing in Los Angeles County available to persons and families within the income limitations established by the Act; and

WHEREAS, as an inducement to the Borrower to carry out the Project, this Board desires to adopt this resolution (this "Resolution") and to authorize the issuance of mortgage revenue bonds by the Authority to finance the Project (the "Bonds") in a principal amount not to exceed \$12,000,000; and

WHEREAS, the Authority, in the course of assisting the Borrower in the financing of the Project expects that the Borrower has paid or may pay certain expenditures (the "Reimbursement Expenditures") in connection with the Project within 60 days prior to the adoption of this Resolution and may incur additional Reimbursement Expenditures within 60 days prior to the adoption of this Resolution and prior to the issuance of indebtedness for the purpose of financing costs associated with the Project on a long-term basis; and

WHEREAS, Section 1.142-4 and Section 1.150-2 of the Treasury Regulations require the Authority to declare its reasonable official intent to reimburse prior expenditures for the Project with proceeds of a subsequent borrowing; and

WHEREAS, Section 146 of the Internal Revenue Code of 1986 limits the amount of multifamily housing mortgage revenue bonds that may be issued in any calendar year by entities within a state and authorizes the governor or the legislature of a state to provide the method of allocation within the state; and

WHEREAS, Chapter 11.8 of Division 1 of Title 2 of the Government Code of the State of California (the "Government Code") governs the allocation of the state ceiling among governmental units in the State of California having the authority to issue multifamily housing mortgage revenue bonds; and

WHEREAS, Section 8869.85 of the Government Code requires a local agency to file an application with the California Debt Limit Allocation Committee ("CDLAC") prior to the issuance of multifamily housing mortgage revenue bonds; and

WHEREAS, the City of Compton has approved the issuance by the Authority of the Bonds for the Project within the City of Compton;

WHEREAS, this Board hereby finds and declares that this resolution is being adopted pursuant to the powers granted by the Act.

NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS:

1. The above recitals, and each of them, are true and correct.
2. This Board hereby determines that it is necessary and desirable to provide a plan of financing for the Project by the issuance and sale of mortgage revenue bonds pursuant to the Act and hereby authorizes the issuance and sale of the Bonds in one or more series from time to time by the Authority in aggregate principal amounts not to exceed \$12,000,000. This action is taken expressly for the purpose of inducing the Borrower to undertake the Project, provided that nothing contained herein shall be construed to signify that the Project complies with the planning, zoning, subdivision and building laws and ordinances applicable thereto or to suggest that the Authority or any officer, agent or employee of the Authority will grant any approval, consent or permit which may be required in connection with the acquisition and construction of the Project or the issuance of the Bonds.
3. The issuance and sale of the bonds shall be upon such terms and conditions as may be agreed upon by the Authority and the Borrower and the initial purchasers of the Bonds; provided, however, that the Bonds shall not be sold or issued unless specifically authorized by the subsequent resolution of this Board.
4. This Resolution is being adopted by the Authority for purposes of establishing compliance with the requirements of Section 1.142-4 and Section 1.150-2 of the Treasury Regulations. In that regard, the Authority hereby declares its official intent to use proceeds of indebtedness to reimburse the Reimbursement Expenditures. Notwithstanding the foregoing, this resolution does not bind the Authority to make any expenditure, incur any indebtedness, or proceed with the Project.
5. The proper officers of the Authority are hereby authorized and directed to apply to CDLAC for a private activity bond allocation for application by the Authority to the issuance the Bonds in one or more series from time to time for the Project in an amount not to exceed \$12,000,000, to collect from the Borrower an amount equal to the

performance deposit required by CDLAC and to certify to CDLAC that such amount has been placed on deposit in an account in a financial institution.

6. The proper officers of the Authority are hereby authorized and directed to take whatever further action relating to the aforesaid financial assistance may be deemed reasonable and desirable, including entering into a Cooperation Agreement with the City of Compton or the Urban Community Development Commission of the City of Compton, if necessary or desirable, provided that the terms and conditions under which the Bonds are to be issued and sold shall be approved by this Board in the manner provided by law prior to the sale thereof.

7. This Resolution shall take effect immediately upon its adoption.

[Remainder of page intentionally left blank]

PASSED AND ADOPTED by the Board of Commissioners of the Housing Authority of the County of Los Angeles, State of California, this ____ day of _____, 2011, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

By: _____
Chair of the Board of Commissioners

ATTEST:

SACHI A. HAMAI
Executive Officer-Clerk
of the Board of Commissioners

By: _____
Deputy

APPROVED AS TO FORM:

ANDREA SHERIDAN ORDIN
County Counsel

By: Belnez J. Delatorre
Deputy



**HOUSING AUTHORITY
of the County of Los Angeles**

Administrative Office

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Gloria Molina
Mark Ridley-Thomas
Zev Yaroslavsky
Don Knabe
Michael D. Antonovich
Commissioners

Sean Rogan
Executive Director

July 27, 2011

Honorable Board of Commissioners
Housing Authority of the
County of Los Angeles
2 S Coral Circle
Monterey Park, California, 91755

Dear Commissioners:

**ADOPT RESOLUTION AUTHORIZING ISSUANCE OF MULTIFAMILY HOUSING
MORTGAGE REVENUE BONDS FOR TERRA BELLA, A MULTIFAMILY HOUSING
DEVELOPMENT LOCATED IN THE CITY OF BELL GARDENS
(DISTRICT 1)**

SUBJECT

This letter recommends that the Board authorize the issuance, sale and delivery of Multifamily Housing Mortgage Revenue Bonds to finance the site acquisition and construction of Terra Bella, a 65-unit multifamily rental housing development to be located in the City of Bell Gardens.

IT IS RECOMMENDED THAT YOUR COMMISSION:

1. Recommend that the Board of Commissioners adopt and instruct the Mayor to sign a Resolution, as required under Section 147(f) of the Internal Revenue Code of 1986, authorizing the issuance of Multifamily Housing Mortgage Revenue Bonds by the Housing Authority, in an aggregate amount not exceeding \$11,974,000, to assist Terra Bella L.P. (Developer), in financing the site acquisition and construction of Terra Bella, a 65-unit multifamily rental housing project to be located at 5714-5722 Clara Street in the City of Bell Gardens.
2. Recommend that the Board of Commissioners authorize the Executive Director or his designee to negotiate, execute, and if necessary amend or terminate all related documents and take all necessary actions for the issuance, sale, and delivery of the bonds.

3. Recommend that the Board of Commissioners find that adoption of this resolution is not subject to the California Environmental Quality Act (CEQA) because the proposed activity will not have the potential for causing a significant effect on the environment.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The purpose of this action is to authorize the issuance, sale and delivery of Multifamily Housing Mortgage Revenue Bonds, in an aggregate amount not to exceed \$11,974,000 to finance the site acquisition and construction of Terra Bella (Project). This action will also allow the bonds to qualify for a tax exemption under Section 103 of the Internal Revenue Code of 1986.

FISCAL IMPACT/FINANCING

There is no impact on the County general fund.

The Developer will repay the bonds solely through rent revenues, and will pay all fees and related costs.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The Housing Authority issues Multifamily Housing Mortgage Revenue Bonds on an ongoing basis to provide financing to increase the supply of multifamily housing for very low-, low-, and moderate-income households throughout Los Angeles County.

On February 8, 2011, the Board of Commissioners adopted an Inducement Resolution declaring the intent of the Housing Authority to undertake the financing of a Multifamily Housing Mortgage Revenue Bond project in accordance with United States Treasury Department Regulations. This action established a base date after which costs incurred by the Developer for the Project could be included in the acquisition, construction and permanent financing obtained pursuant to the issuance of tax-exempt bonds.

On February 8, 2011, the Board of Supervisors adopted a resolution approving issuance of the bonds, as authorized by Section 147(f) of the Internal Revenue Code of 1986. The Housing Authority conducted a public hearing regarding the issuance of bonds to finance the project at its office located at 2 Coral Circle in Monterey Park. No comments were received at the public hearing concerning the issuance of the bonds or the nature and location of the Project.

The Project will be located at 5714-5722 Clara Street in the City of Bell Gardens. The Project will be a three-story apartment building, comprised of 62 one-bedroom units and three two-bedroom units. All of the units excluding the manager's unit will be reserved for households with incomes that do not exceed 50% of the area median income for the Los Angeles-Long Beach Metropolitan Statistical Area, adjusted for household size, as

Honorable Housing Commissioners
July 27, 2011
Page 3

determined by the U.S. Department of Housing and Urban Development. The affordability requirements will remain in effect for 55 years. All of the affordable units will be occupied by seniors. The manager's unit will have no affordability requirements.

The attached Resolution has been prepared by Orrick, Herrington & Sutcliffe, Housing Authority Bond Counsel, and has been approved as to form by County Counsel. All other related documents, in substantially final form, are on file with the Executive Office of the Board of Commissioners. They will be approved as to form by County Counsel prior to execution by the authorized parties.

ENVIRONMENTAL DOCUMENTATION

This action is exempt from the provisions of the National Environmental Policy Act (NEPA) pursuant to 24 Code of Federal Regulations, Part 58, Section 58.34 (a)(3) because it involves administrative activities that will not have a physical impact on or result in any physical changes to the environment. This action is also not subject to the provisions of CEQA pursuant to State CEQA Guidelines 15060(c)(3) and 15378, because it is not defined as a project under CEQA and does not have the potential for causing a significant effect on the environment.

The Community Development Commission prepared an Environmental Assessment for this project pursuant to the requirements of NEPA. Based on the conclusions and findings of the Environmental Assessment, a Finding of No Significant Impact was approved by the Certifying Official of the Community Development Commission on June 7, 2010. Following the required public and agency comment period, HUD issued a Release of Funds for the project on July 4, 2010.

Acting as a responsible agency, the Housing Authority approved the Initial Study/Mitigated Negative Declaration (IS/MND), prepared by the City of Bell, on February 8, 2011. The Housing Authority's approval of the IS/MND satisfies CEQA Guidelines as stated in Article 7, Section 15096.

IMPACT ON CURRENT PROJECT

The proposed action will increase the supply of affordable housing in the County with long-term affordability.

Respectfully submitted,



for SEAN ROGAN
Executive Director

Enclosures

RESOLUTION AUTHORIZING THE ISSUANCE, SALE AND DELIVERY OF MULTIFAMILY HOUSING REVENUE BONDS IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$11,974,000 FOR THE PURPOSE OF MAKING A LOAN TO PROVIDE FINANCING FOR A MULTIFAMILY RENTAL HOUSING PROJECT KNOWN AS TERRA BELLA, DETERMINING AND PRESCRIBING CERTAIN MATTERS RELATING THERETO, AND APPROVING AND AUTHORIZING THE EXECUTION OF RELATED DOCUMENTS, AGREEMENTS AND ACTIONS.

WHEREAS, The Housing Authority of the County of Los Angeles (the "Authority") is authorized and empowered by the provisions of Section 34312.3 of the Health and Safety Code of the State of California (the "Act") to issue and sell revenue bonds for the purpose of making loans or otherwise providing funds to finance the acquisition and construction of multifamily residential rental housing projects, including units for households meeting the income limits set forth in the Act; and

WHEREAS, there has been prepared and presented to this Board for consideration at this meeting the documentation required for the issuance of bonds for the financing of the Terra Bella Project (the "Project"); and

WHEREAS, it appears that each of the documents and instruments above referred to which are now before this meeting is in appropriate form and is an appropriate instrument to be executed and delivered for the purposes intended;

NOW, THEREFORE, BE IT RESOLVED, by the Board of Commissioners of the Housing Authority of the County of Los Angeles, as follows:

1. It is hereby found and determined that it is necessary and desirable for the Authority to provide financing for the Project through the issuance and sale of the Bonds (as hereinafter defined) in order to assist in the acquisition and construction of the type of dwelling units provided by the Project.

2. For the purpose of raising moneys with which to effectuate financing for the Project, the Authority hereby determines to issue its Multifamily Housing Revenue Bonds (Terra Bella Project), 2011 Series A, in one or more series, each with an appropriate series designation (the "Bonds"), in an aggregate principal amount not to exceed \$11,974,000. The Bonds shall bear interest at the interest rates set forth in or determined in accordance with a trust indenture (the "Indenture"), maturing as provided in the Indenture, but not later than 35 years from the date of issue. The Bonds shall be in substantially the form set forth in the Indenture, with such appropriate variations, omissions, insertions and provisions as are permitted or required by the Indenture, which shall be appropriately completed when the Bonds are prepared.

The Bonds shall be limited obligations of the Authority payable solely from the revenues, receipts and other moneys pledged therefore under the Indenture.

The Bonds shall be executed on behalf of the Authority by the manual or facsimile signature of the Chair of this Board or the Executive Director of the Authority.

3. The proposed form of Indenture, in the form presented to this meeting, is hereby approved. The Chair of this Board and the Executive Director of the Authority are each hereby authorized and directed, for and in the name and on behalf of the Authority, to execute and deliver the Indenture, in substantially said form, with such additions thereto or changes therein as such officer may approve or recommend upon consultation with counsel to the Authority and Bond Counsel to the Authority (provided that such additions or changes shall not authorize an aggregate principal amount of Bonds in excess of the amount stated above or result in an initial interest rate on the Bonds in excess of 9%), the approval of such additions or changes to be evidenced conclusively by the execution and delivery of the Indenture. The date, maturity dates, interest rate or rates, interest payment dates, denominations, form, registration privileges, manner of execution, place of payment, terms of redemption and other terms of the Bonds shall be as provided in the Indenture as finally executed.

4. The proposed form of Loan Agreement (the "Loan Agreement"), in the form presented to this meeting, is hereby approved. The Chair of this Board and the Executive Director of the Authority are each hereby authorized and directed, for and in the name and on behalf of the Authority, to execute and deliver the Loan Agreement, with such additions or changes in said document as such officer may recommend or approve upon consultation with counsel to the Authority and Bond Counsel to the Authority, the approval of such additions or changes to be evidenced conclusively by the execution and delivery of the Loan Agreement.

5. The proposed form of Regulatory Agreement and Declaration of Restrictive Covenants (the "Regulatory Agreement") in the form presented to this meeting, is hereby approved. The Chair of this Board and the Executive Director of the Authority are each hereby authorized and directed, for and in the name and on behalf of the Authority, to execute and deliver the Regulatory Agreement, with such additions or changes in said document as such officer may recommend or approve upon consultation with counsel to the Authority and Bond Counsel to the Authority, the approval of such additions or changes to be evidenced conclusively by the execution and delivery of the Regulatory Agreement.

6. This Board hereby appoints the Executive Director of the Authority or his or her Deputy or designee as administrator/manager with respect to the Project and other matters arising in connection with the Bonds (the "Administrator").

7. All consents, approvals, notices, orders, requests and other actions permitted or required by any of the documents authorized by this resolution, whether before or after the issuance of the Bonds, including without limitation any of the foregoing which may be necessary or desirable in connection with any default under or amendment of such documents, any transfer or other disposition of the Project or any redemption of the Bonds, may be given or taken by the

Administrator without further authorization by this Board, and the Administrator is hereby authorized and directed to give any such consent, approval, notice, order or request and to take any such action which such officer may deem necessary or desirable to further the purposes of this resolution.

8. All actions heretofore taken by the officers and agents of the Authority with respect to the sale and issuance of the Bonds are hereby approved, confirmed and ratified, and the proper officers of the Authority are hereby authorized and directed, for and in the name and on behalf of the Authority to do any and all things and take any and all actions and execute and deliver any and all certificates, agreements and other documents, including but not limited to those described in the Indenture and the other documents herein approved, which they, or any of them, may deem necessary or advisable in order to consummate the lawful issuance and delivery of the Bonds and to effectuate the purposes thereof and of the documents herein approved in accordance with this resolution and resolutions heretofore adopted by the Authority.

9. All resolutions or parts thereto in conflict herewith are, to the extent of such conflict, hereby repealed.

10. This resolution shall take effect upon its adoption.

PASSED AND ADOPTED by the Board of Commissioners of the Housing Authority of the County of Los Angeles, State of California, this ____ day of _____, 2011, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

By: _____
Chair of the Board
of Commissioners

ATTEST:

Sachi A. Hamai
Executive Officer
of the Board of Commissioners

By: _____
Deputy

APPROVED AS TO FORM:

ANDREA SHERIDAN ORDIN
County Counsel

By: Behnaz Jashakman
Deputy



**HOUSING AUTHORITY
of the County of Los Angeles**

Administrative Office

2 Coral Circle • Monterey Park, CA 91755

323.890.7001 • TTY: 323.838.7449 • www.lacdc.org



Gloria Molina
Mark Ridley-Thomas
Zev Yaroslavsky
Don Knabe
Michael D. Antonovich
Commissioners

Sean Rogan
Executive Director

July 27, 2011

Honorable Housing Commissioners
Housing Authority of the
County of Los Angeles
2 S Coral Circle
Monterey Park, California 91755

Dear Commissioners:

**APPROVE SEVEN MONTH EXTENSION OF LEASE BETWEEN THE HOUSING
AUTHORITY AND GEARY-TELEGRAPH INVESTMENTS FOR ADMINISTRATIVE
BUILDING AT 12131 TELEGRAPH ROAD IN SANTA FE SPRINGS
(ALL DISTRICTS)**

SUBJECT

This letter recommends approval of Amendment No. 8 to the Housing Authority's Lease with Geary-Telegraph Investments for approximately 42,170 square feet of administrative office space and 205 surface parking spaces at 12131 Telegraph Road in Santa Fe Springs. The current Lease expires on June 3, 2012. The Amendment will extend the term through December 31, 2012, or approximately seven months, with all other terms and conditions of the current Lease remaining in full force and effect.

IT IS RECOMMENDED THAT YOUR COMMISSION:

1. Recommend that the Board of Commissioners approve and authorize the Executive Director or his designee to execute Amendment No. 8 to the Lease with Geary-Telegraph Investments (Lessor), to extend the term for approximately seven months, through December 31, 2012, for the occupancy of approximately 42,170 rentable square feet of office space and 205 surface parking spaces at 12131 Telegraph Road in Santa Fe Springs.
2. Recommend that the Board of Commissioners find that the proposed lease extension is not subject to the provisions of the California Environmental Quality Act (CEQA), as described herein, because the activities are not defined as a project under CEQA.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The lease extension will provide the Housing Authority with continued use of office space for the administration of the Housing Choice Voucher (Section 8) program. The lease extension is necessary to accommodate approximately 170 employees and public services for the Section 8 program while construction is completed on the new consolidated headquarters for the Community Development Commission and Housing Authority, to be located at 700 West Main Street in Alhambra. Housing Authority staff anticipates relocating to the Alhambra facility in September 2012.

FISCAL IMPACT/FINANCING

There is no impact on the County General Fund.

The base rent will be approximately \$1.70 per square foot per month, or \$71,689 per month. Other expenses are approximately \$0.25 per square foot per month. Rental costs through June 30, 2012 are included in the Housing Authority's approved Fiscal Year 2011-12 budget. Rental costs for the final six months will be paid using funds requested through the Housing Authority's annual budget process for Fiscal Year 2012-13.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

In 2002, the Housing Authority's Assisted Housing Division moved to 12131 Telegraph Road under a ten-year modified gross Lease. The current Lease is set to expire on June 3, 2012. There have been seven minor amendments to the Lease, all of which occurred during the first year of the Housing Authority's occupancy.

Amendment No. 8 will extend the term through December 31, 2012. Amendment No. 8 also gives the Housing Authority the option to terminate the Lease prior to December 31, 2012, provided that 75 days' notice is provided to the Lessor. All other terms and conditions of the Lease will remain in full force and effect.

ENVIRONMENTAL DOCUMENTATION

This action is exempt from the National Environmental Policy Act pursuant to Title 24, Code of Federal Regulations, Part 58, Section 34 (a)(3) because it involves administrative activities that will not have a physical impact on or result in any physical changes to the environment. The action is not subject to the provisions of CEQA, pursuant to State CEQA Guidelines 15060(c)(3) and 15378, because it is not defined as a project under CEQA and does not have the potential for causing a significant effect on the environment.

Honorable Housing Commissioners
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IMPACT ON CURRENT PROGRAMS

The lease amendment will provide continued use of office space for the administration of the Housing Choice Voucher program.

Respectfully submitted,



for SEAN ROGAN
Executive Director

Enclosures



**HOUSING AUTHORITY
of the County of Los Angeles**

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Gloria Molina
Mark Ridley-Thomas
Zev Yaroslavsky
Don Knabe
Michael D. Antonovich
Commissioners

Sean Rogan
Executive Director

July 27, 2011

Honorable Housing Commissioners
Housing Authority of the
County of Los Angeles
2 S Coral Circle
Monterey Park, California 91755

Dear Commissioners:

**APPROVE A POWER PURCHASE AGREEMENT FOR THE SUPPLY OF SOLAR
GENERATED ELECTRICITY AT THE NUEVA MARAVILLA AND CARMELITOS
HOUSING DEVELOPMENTS
(DISTRICTS 1 & 4)**

SUBJECT

This letter recommends approval of a Power Purchase Agreement (PPA) with Fresh Air Energy-I, LLC for the supply of solar electric power to the Nueva Maravilla and Carmelitos housing developments located in unincorporated East Los Angeles County and the City of Long Beach respectively.

IT IS RECOMMENDED THAT YOUR COMMISSION:

1. Recommend that the Board of Commissioners approve and authorize the Executive Director or his designee to execute, amend, extend and if necessary, terminate a PPA in the amount of \$1,164,900 with Fresh Air Energy-I, LLC for the supply of solar electric power at the Nueva Maravilla and Carmelitos housing developments, using Community Development Commission (Commission) General Funds.
2. Recommend that the Board of Commissioners authorize the Executive Director to incorporate up to \$1,164,900 in Commission General Funds into the Housing Authority's approved Fiscal Year 2011-2012 budget for the purposes described above.
3. Recommend that the Board of Commissioners find that the approval of a PPA is exempt from the provisions of the California Environmental Quality

Act (CEQA) because the work includes activities that will not have the potential for causing a significant effect on the environment.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The purpose of this action is to award a PPA for the supply of solar electric power at the Nueva Maravilla and Carmelitos housing developments.

FISCAL IMPACT/FINANCING

There is no impact on the County general fund. The Housing Authority will fund the improvements at Nueva Maravilla and Carmelitos with \$1,164,900 in Commission General Funds to be incorporated into the Housing Authority's approved Fiscal Year 2011-2012 budget.

On August 24, 2010, the Board approved a \$3,500,000 Commission General Fund loan (Loan) to the Housing Authority to leverage the financing of various energy conservation measures at the Nueva Maravilla housing development.

The Loan is being used to finance HUD-approved Energy Performance Contracting (EPC) at Nueva Maravilla, which is an innovative financing technique that uses cost savings from reduced energy consumption to repay the cost of installing energy conservation measures. HUD requires at least 75% of those utility savings to be used to repay the Loan and other EPC related costs over the 15-year term of the Loan. To date, a total of \$1,388,749 of the \$3,500,000 Loan has been obligated to fund solar water heaters, roof replacement, xeriscaping and irrigation projects at the Nueva Maravilla housing development.

The Housing Authority will now utilize a portion of this Loan for the improvements at Carmelitos in order to maximize cost savings in preparation for a second EPC for Carmelitos.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The scope of work for this PPA at the Nueva Maravilla and Carmelitos housing developments is for the purchase of solar electric power. The selected contractor, Fresh Air Energy-I, LLC, will utilize roof space at the two locations to install photovoltaic panels and other equipment to provide solar electric power. At Nueva Maravilla, photovoltaic panels will be installed at the Rosas apartment complex, Community Center, Family Learning Center, the management office and the maintenance department. At Carmelitos, photovoltaic panels will be installed at the senior apartment complex and the Community Center.

On February 25, 2011, Southern California Edison approved California Solar Initiative rebates for the production of solar-produced electricity at Carmelitos and on March 15,

2011 approved rebates for Nueva Maravilla. The rebates will substantially reduce the cost of electricity to the Housing Authority. In order to utilize these rebates, the PPA must be executed by August 24, 2011. On August 20, 2010 HUD approved the Housing Authorities' EPC plan for Nueva Maravilla which gives the Housing Authority the right to execute comprehensive energy efficiency contracts.

The PPA requires that Fresh Air Energy-I, LLC complete the installation at Nueva Maravilla within 150 calendar days and generate electricity by January 1, 2012. Fresh Air Energy-I, LLC will complete the installation at Carmelitos within 365 calendar days and generate electricity by August 1, 2012. There is a prolonged installation period for Carmelitos because the Housing Authority must obtain HUD approval for the new EPC plan prior to installation. Through the PPA, the Housing Authority is purchasing 446,000 kWh per year of solar generated electricity for Nueva Maravilla, and 42,000 kWh per year at Carmelitos at an estimated total energy savings of 60% of the Housing Authority's common areas electricity costs. During the 15-year PPA term, Fresh Air Energy-I, LLC will maintain and operate the system. After the 15-year PPA term expires, the Housing Authority has the option to purchase the system from Fresh Air Energy-I, LLC or have them remove the system at their expense.

The improvements are being funded by Commission General Funds and are not subject to the requirements of the Greater Avenues for Independence (GAIN) Program or the General Relief Opportunity for Work (GROW) Program implemented by the County of Los Angeles or Section 3 of the Housing and Community Development Act of 1968, as amended, which requires that employment and other economic opportunities generated by certain HUD assistance be directed to low- and very low-income persons, particularly to persons who are recipients of HUD housing assistance.

ENVIRONMENTAL DOCUMENTATION

Pursuant to 24 Code of Federal Regulation, Part 58, Section 58.35 (a) (3)(ii), this project is excluded from the National Environmental Policy Act (NEPA), because it involves activities that will not alter existing environmental conditions. It is exempt from the provisions of CEQA, pursuant to State CEQA Guidelines 15301, because it involves negligible or no expansion of use beyond what currently exists and does not have the potential for causing a significant effect on the environment.

CONTRACTING PROCESS

On March 4, 2011, the Housing Authority initiated an outreach to identify a solar power vendor to supply electricity at the Nueva Maravilla and Carmelitos housing developments. Request for Proposals were mailed to 113 vendors identified from the Housing Authority's vendor list. Advertisements also appeared in the Dodge Construction News, as well as the Commission and County websites. Forty bid packages were requested and distributed.

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On April 11, 2011, two proposals were received and evaluated. The proposal by Suntrek was determined to be non-responsive. The proposal by Fresh Air Energy-I, LLC scored sufficient points and was determined responsible, and is therefore being recommended for the PPA award.

The Summary of Outreach Activities is provided as Attachment A.

IMPACT OF CURRENT PROJECT

The award of the PPA will create an energy efficient green community at the Nueva Maravilla and Carmelitos housing developments and will increase cost savings to the Housing Authority.

Respectfully submitted,



 SEAN ROGAN
Executive Director

Enclosures

ATTACHMENT A

Summary of Outreach Activities

Power Purchase Agreement to provide solar generated electricity at the Nueva Maravilla and Carmelitos housing developments in unincorporated East Los Angeles County and the City of Long Beach respectively.

On March 4, 2011, the following outreach was initiated to identify a solar energy provider to provide electricity at the Nueva Maravilla housing development located at 4919 E. Cesar Chavez Avenue, Los Angeles, CA 90022 and the Carmelitos housing development located at 761 and 817 Via Wanda, Long Beach, CA 90805.

A. Advertising

Announcements appeared in the Dodge Construction News.

An announcement was also posted on the Community Development Commission/ Housing Authority and County websites.

B. Distribution of Request for Proposals (RFP) Packages

The Housing Authority's vendor list was used to mail out RFP packages to 113 solar energy providers, of which 67 identified themselves as businesses owned by minorities or women (private firms which are 60 percent owned by minorities or women, or publicly-owned businesses in which 56 percent of the stock is owned by minorities or women). As a result of the outreach, 40 packages were requested and distributed.

C. Pre-Proposal Conference and Site Walk

On March 17, 2011, a mandatory pre-proposal conference and site walk was conducted. Seven firms were in attendance.

D. Proposal Results

On April 11, 2011, two proposals were received and evaluated. The proposal by Suntrek was determined to be non-responsive. The proposal by Fresh Air Energy-I, LLC scored sufficient points and was determined responsible, and is therefore being recommended for the PPA award. Fresh Air Energy-I, LLC received a score of 745 out of a total score of 1,000 points.

E. Minority/Female Participation – Selected Contractor

Fresh Air Energy-I, LLC	Non-Minority	Total: 9 2 minorities 1 women 22% minorities 11% women
CSI Electrical Constrators, Inc. (Sub-contractor)	Non-Minority	Total: 356 145 minorities 26 women 41% minorities 7% women

F. Minority/Women Participation - Firms Not Selected

<u>Name</u>	<u>Ownership</u>	<u>Employees</u>
Suntrek*		

This vendor was non-responsive and did not include this information as part of its submitted proposal

The Housing Authority conducts ongoing outreach to include minorities and women in the contract award process, including: providing information at local and national conferences; conducting seminars for minorities and women regarding programs and services; advertising in newspapers to invite placement on the vendor list; and mailing information to associations representing minorities and women. The above information has been voluntarily provided to the Housing Authority.

The recommended award of the contract is being made in accordance with the Housing Authority's policies and federal regulations, and without regard to race, creed, color, or gender.

ATTACHMENT B

Contract Summary

Project Name: Power Purchase Agreement (PPA)
Location: 4919 E. Cesar Chavez Avenue, Los Angeles, CA 90022 and 761 and 817 Via Wanda, Long Beach 90805
RFP Number: CDC 11-086
RFP Date: March 4, 2011
Contractor: Fresh Air Energy-I, LLC
Services: Solar generated electricity
Contract Documents: Power Purchase Agreement and all its exhibits.

Term of PPA: 15 years

Notice to Proceed and Completion: The installation of photovoltaic panels and the delivery of electricity under this PPA shall be commenced within ten (10) days after a Notice to Proceed is received by the solar energy provider, "Seller", or on the date specified in the Notice, whichever is later. Seller will complete the installation at Nueva Maravilla within 150 calendar days and start providing electricity no later than January 1, 2012. Seller will complete the installation at Carmelitos within 365 calendar days and start providing electricity no later than August 1, 2012.

Financial Reimbursement by Seller: If the Seller does not begin providing electricity at Nueva Maravilla by January 1, 2012, the Seller will reimburse the Housing Authority, "Purchaser" the cost of the amount of estimated energy to be supplied by the Seller purchased from another energy provider. If, during the term of the PPA, the system, at any time, fails to deliver the amount of electricity specified in the PPA or delivers only a portion of that electricity in any given month, the Seller shall reimburse the Purchaser for that shortfall.

PPA Compensation: The HA or Purchaser shall pay Fresh Air Energy-I, LLC, the Seller, in current funds, the sum of One Million One Hundred Sixty Four Thousand Nine Hundred and Zero Cents (\$1,164,900) for the supply of electricity as provided in the PPA. The compensation amount is not subject to escalation, includes all labor and material costs and cost increases anticipated for the installation of the photovoltaic panels and throughout the duration of this PPA.



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Commissioners

Sean Rogan
Executive Director

July 27, 2011

Honorable Housing Commissioners
Housing Authority of the
County of Los Angeles
2 S Coral Circle
Monterey Park, California 91755

Dear Commissioners:

**AMEND CONTRACT WITH HD SUPPLY FACILITIES MAINTENANCE FOR
BUILDING MATERIALS AND SUPPLIES AT HOUSING DEVELOPMENTS
COUNTYWIDE
(ALL DISTRICTS)**

SUBJECT

This letter requests approval to amend an existing contract with HD Supply Facilities Maintenance to increase the contract amount from \$95,000 to \$295,000 to provide needed building materials and supplies to the Housing Authority.

IT IS RECOMMENDED THAT YOUR COMMISSION:

1. Recommend that the Board of Commissions approve and authorize the Executive Director or his designee to amend and, if necessary, terminate the contract with HD Supply Facilities Maintenance, to increase the contract amount from \$95,000 to \$295,000, to provide needed building material and supplies for the Housing Authority, to be effective following approval as to form by the County Counsel and execution by all parties.
2. Recommend that the Board of Commissions find that approving the amendment to the contract for needed building materials and supplies is exempt from the provisions of the California Environmental Quality Act because the activities will not have the potential for causing a significant effect on the environment.



PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The purpose of this recommended action is to increase the current contract budget amount from \$95,000 to \$295,000, allowing HD Supply Facilities Maintenance to provide needed building materials and supplies for the Housing Authority until the current contract expires on November 30, 2011. These commodities may be needed for regular maintenance or on an emergency basis. The use of a building material and supply contractor is crucial in maintaining the safety and well being of the housing developments, residents and employees.

FISCAL IMPACT/FINANCING

There is no impact on the County general fund.

The contract will be funded with a total of \$295,000 in Housing Authority Operating Funds allocated by the U.S. Department of Housing and Urban Development (HUD) and included in the Housing Authority's Fiscal Year 2011-2012 approved budget.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

On April 20, 2011 the Housing Authority awarded a contract to HD Supply Facilities Maintenance in the amount of \$95,000 to provide needed building material and supplies at all housing developments. The Housing Authority utilized the procurement conducted for Contract No. SERIAL #05091-RFP between the County of Maricopa and HD Supply Facilities Maintenance, which is made available to public agencies nationwide through U.S. Communities, a governmental purchasing alliance. The existing contract commenced on May 1, 2011 and will expire on November 30, 2011.

The Housing Authority conducts ongoing property maintenance at its 70 housing developments to ensure that the physical conditions of the property meet health quality and safety standards, in compliance with the Public Housing Assessment System (PHAS) regulations. HUD recently scheduled Real Estate Assessment Center (REAC) inspections to be conducted between August 22 and November 4, 2011. REAC accounts for 40 percent of the Housing Authority's Public Housing Assessment System (PHAS) score. Accordingly, a contract amount increase is needed to ensure sufficient maintenance materials and supplies are available at all housing developments.

Currently, the County of Maricopa is conducting new procurement for building materials and supplies. Once the procurement has been completed, the Housing Authority will return to the Board for approval to enter into a contract with the selected vendor.

The contract is subject to the requirements of the Greater Avenues for Independence (GAIN) Program or the Greater Relief Opportunity for Work (GROW) Program implemented by the County of Los Angeles.

ENVIRONMENTAL DOCUMENTATION

Pursuant to Title 24 of the Code of Federal Regulations, Section 58.35 (b) (3), this action is Categorical Excluded from the National Environmental Policy Act because it involves maintenance activities that will not alter existing environmental conditions. The action is exempt from the provisions of the California Environmental Quality Act (CEQA) pursuant to State CEQA Guidelines Section 15301 because it does not have the potential for causing a significant effect on the environment.

IMPACT ON CURRENT PROJECT

The proposed contract amendment will provide needed building materials and supplies for the Housing Authority.

Respectfully submitted,



 SEAN ROGAN
Executive Director